



**FTCNewsLine** is an online quarterly newsletter of the **FAIR TRADING COMMISSION (FTC)** that contains information on competition matters dealt with by the Fair Trading Commission as well as other competition agencies from around the world. The aim is to provide readers with insights into some of the matters that are prosecuted in other jurisdictions; and assist businesses and consumers in better identifying issues that may pose competition concerns.

Competition legislation is specific to each jurisdiction and activities prohibited in one jurisdiction are not necessarily prohibited in other jurisdictions. For information on the prohibitions under Jamaica’s competition legislation, the **FAIR COMPETITION ACT (FCA)**, please visit our website at [www.jftc.gov.jm](http://www.jftc.gov.jm).

*In this Issue, we feature matters arising during the period April 1, 2024, to June 30, 2024.*

## FTC participates in MFPS Inaugural “Elevate” Procurement Conference



The Executive Director of the FTC, Mr. David Miller, served as a moderator in the Panel Discussion entitled “Levelling the Field: Ethics & Fair Play in Public Procurement”. The Panellists Dr. Amo Eyo, Professor at Bangor University, and Professor Shazeeda Ali, Faculty of Law, Mona, presented on issues such as supporting laws, private sector involvement, procurement principles, and the contract management process. Mr. Miller steered the discussion while speaking on the meaning, importance and value of procurement processes to the economy, and the

competition law implications and practices in identifying harm to the economic environment, business enterprises and consumers.

Over the past year, the FTC has presented at the Procurement Summer Training Series, hosted by the Office of Public Procurement. During this series, nearly 190 public sector procurement officers were exposed to the competition concerns in public procurement. These concerns include the detrimental effects of collusive tendering, the role of competition law in preventing such practices, identifying red flags of collusive tendering, and the provisions of the Fair Competition Act (FCA) addressing bid rigging.

## The FTC is assessing the competition landscape of the public transportation market

The FTC is assessing the state of the public transportation sector in Jamaica, to determine the impact of ride-sharing services on the sector. A streamlined public transportation sector is essential for most Jamaicans seeking access to crucial sectors such as employment, education, and healthcare services, among others. Access to these sectors is seen as important to enhancing the welfare of individuals. However, market externalities associated with consumption in these sectors will render the free market outcome inefficient. This places even greater importance on the enforcement of proper regulatory oversight to move the sector closer to the efficient outcomes than the free market could provide for.

The FTC's recently published article on the subject matter highlights the challenges within the public transportation sector, including issues related to regulation, market efficiency, and the introduction of innovation in the sector in the form of ridesharing platforms. While ridesharing platforms like *Uber*, *InDrive*, and *876 On the Go* have emerged in Jamaica as flexible alternatives to traditional public transportation operators, they currently operate with only limited regulatory oversight, raising concerns about safety and competitive fairness in the sector.



The FTC will review the state of the public transportation sector in Jamaica. In particular, the regulatory environment under which public passenger transportation providers to ensure sector more robust competitiveness and efficiency.

The assessment aims to recommend measures to enhance the competitiveness of the sector, drawing on lessons learned from other countries.

## FTC is assessing markets for valuation services

Ministry of Industry  
Investment & Commerce  
Jamaica's Business Ministry

**ARE YOU**  
A house/land/auto valuator  
or  
A business that requires valuation reports for any  
of your services?

If Your Answer is YES,  
The Fair Trading Commission Needs YOUR Help

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In May, the FTC began assessing valuator empanelment across various sectors. While recognizing the legitimate business reasons for this practice, the FTC also acknowledges that businesses with large customer bases using panels may give preferred providers a competitive edge over those excluded.

The FTC aims to ensure that panels do not unduly impede competition.

To promote competitive empanelment procedures, the FTC suggests businesses establish clear, comprehensive, and transparent regulations and eligibility criteria for service providers.

The FTC developed a Position Paper with proposed Valuator Empanelment Guidelines and invited stakeholders to comment. Insurance companies, commercial banks, building societies, credit unions, loss adjusters, trade associations, and real estate agencies are among those asked to provide feedback on the practice of creating and managing exclusive lists of preferred service providers, commonly referred to as panels. The proposed Guidelines outline conditions under which panel usage is unlikely to substantially lessen competition, drawing on the FTC's experience and insights from other jurisdictions.

## FTC Study Tour of the Department of Justice (DOJ), & The U.S. Federal Trade Commission (US FTC)



*Senior legal counsel, Susan Lawrence-Simms and technical staff of DOJ standing at the US Federal Trade Commission*

The Senior Legal Counsel of the FTC, Mrs. Susan Lawrence-Simms, was a member of the Caribbean Community (CARICOM) Study Tour, funded by the 11th European Development Fund (EDF) Strengthening the Framework for CARICOM Integration and Cooperation Programme. The Study Tour aimed to enhance the CARICOM and the United States (US) partnership and to discuss core concepts and techniques used to investigate and prosecute anticompetitive conduct.

The Technical Staff at the Department of Justice and the Federal Trade Commission in the US, provided first-hand information in investigating competition cases, answered questions posed by the CARICOM delegation and offered insights on assessing complex competition issues.



## INTERNATIONAL COMPETITION NEWS

### Microsoft unbundles Teams from Office amid European regulatory pressure



Microsoft announced that it will unbundle its Teams and Office packages following European regulatory scrutiny. This move, prompted by antitrust complaints from competitors like Zoom and Slack, aims to address concerns over Microsoft's bundling practices, which have been seen as limiting competition. Slack, now owned by Salesforce, had filed a complaint with the European Commission in 2020, arguing that

integrating Teams into Office was an illegal tying practice. As a result of the unbundling, new Office 365 E3 clients will see a price increase of \$3 per person per month. Analysts from Mizuho Securities suggest that this change could benefit Zoom by reducing customer churn, as Zoom's revenue growth has slowed significantly since its peak during the pandemic.

In response to the European Commission's probe, Microsoft began offering separate subscriptions for Teams and other productivity software across 31 European countries, a strategy now being implemented globally. This decision provides more flexibility for multinational companies and addresses regulatory feedback. Microsoft reported nearly \$53 billion in revenue from Office products, including Teams, in 2023, reflecting a 14% increase from the previous year. Teams, with over 320 million monthly active users, remains a significant part of Microsoft's productivity suite.

Source: <https://www.cnn.com/2024/04/01/zoom-and-salesforce-stand-to-benefit-from-microsofts-unbundling.html> – July 25, 2024